



MAGNITOGORSK IRON AND STEEL WORKS
Open Joint Stock Company

REPORT

August 30, 2007

City of Magnitogorsk

On the Results of Voting
at the Extraordinary General
Shareholders' Meeting of OJSC MMK

Full official name of the Company: Magnitogorsk Iron and Steel Works Open Joint Stock Company (hereinafter, "MMK", "the Company")

Location of the Company: Ul.Kirova 93, Magnitogorsk, 455000, Chelyabinsk Region, Russia

Type of the Meeting: Extraordinary

Form of the Meeting: Absentee voting

Deadline for receipt of voting ballots: August 30, 2007.

Agenda of the Extraordinary General Shareholders' Meeting (hereinafter, "the Meeting"):

1. Payment of Dividends on the Company's Placed Shares for the First Half of the 2007 Financial Year;
2. Reorganization of OJSC MMK by a Merger of ZAO MMK-KAPITAL into OJSC MMK;
3. Approval of a Major Transaction.

Postal address to which completed voting ballots were sent: Magnitogorsk branch of the Closed Joint Stock Company "STATUS Registrar Company", Ul.Zaveniaghina 9, Magnitogorsk, 455049

Chairman of the Extraordinary General Shareholders' Meeting of OJSC MMK – Chairman of the OJSC MMK Board of Directors Victor F.Rashnikov.

Secretary of the Extraordinary General Shareholders' Meeting of OJSC MMK – Corporate Secretary of OJSC MMK Valentina N. Khavantseva.

Number of votes belonging to the persons included in the list of persons entitled to participation in the extraordinary general shareholders meeting regarding the meeting's agenda: 11,672,825,023.

Number of votes given for each of the voting options ("FOR", "AGAINST", "ABSTAINED") on each of the agenda's items:

ITEM #1 OF THE AGENDA:

“Payment of Dividends on OJSC MMK’s Placed Ordinary Registered Shares Based on the Company’s Operational Results for the First Half of the 2007 Financial Year”:

The OJSC MMK Board of Directors recommended to the Extraordinary General Shareholders' Meeting of OJSC MMK to adopt the resolution on payment of dividends on the placed ordinary registered shares of the Company based on the Company’s operational results for the first half of the 2007 financial year in the amount of RUB 0.418 (inclusive of tax) per share, with the payment to be made within the time frame and according to the procedure established by the Company's Charter (the minutes of meeting of the OJSC MMK’s Board of Directors # 7 dated 13.07.2007)

The number of votes belonging to the persons who have taken part in the Meeting with respect to this item of the agenda is 10,729,766,595, which in the totality accounts for 91.9209 % of the votes corresponding to the Company’s placed ordinary (voting) shares (there is a quorum).

Votes given:

FOR: 10,728,830,949

AGAINST: 46,300

ABSTAINED: 41,400

The decision on this item, in accordance with p.1 of Article 48 and p.2 of Article 49 of the Federal Law “On Joint Stock Companies”, is taken by the majority of the holders of ordinary (voting) shares of the Company who have taken part in the meeting with respect to this item of the agenda.

It has been resolved:

To pay dividends on the placed ordinary registered shares of the Company based on the Company’s operational results for the first half of the 2007 financial year in the amount of RUB 0.418 (inclusive of tax) per share, as recommended by the Board of Directors of the OJSC MMK, with the payment to be made within the time frame and according to the procedure established by the Company's Charter.

ITEM #2 OF THE AGENDA

“Reorganization of OJSC MMK by a Merger of ZAO MMK-KAPITAL into OJSC MMK”

The number of votes belonging to the persons who have taken part in the Meeting with respect to this item of the agenda is 10,729,766,595, which in the totality accounts for 91.9209 % of the votes corresponding to the Company’s placed ordinary (voting) shares (there is a quorum).

Votes given:

FOR: 10,723,166,138

AGAINST: 621,500

ABSTAINED: 4,902,510

The decision on this item, in accordance with p.1 of Article 48 and p.4 of Article 49 of the Federal Law “On Joint Stock Companies”, is taken by the three-quarters’ majority of the holders of ordinary (voting) shares of the Company who have taken part in the meeting with respect to this item of the agenda.

It has been resolved:

1. To reorganize Open Joint Stock Company Magnitogorsk Iron and Steel Works (hereinafter, OJSC MMK), Ul.Kirova 93, Magnitogorsk, 455000, Chelyabinsk Region, Russia (primary state registration number #1027402166835) by merging with Closed Joint Stock Company MMK-KAPITAL (hereinafter, CJSC MMK-KAPITAL), Ul. Zavenyagina 9, Magnitogorsk, 455049, Chelyabinsk Region, Russia (primary state registration number #1077445002084), in which MMK OJSC owns 100% of shares, with the transfer of all the rights and obligations of CJSC MMK-KAPITAL to MMK OJSC and termination of the activities of CJSC MMK-KAPITAL as such.

2. To designate OJSC MMK as the transferee and successor of CJSC MMK-KAPITAL with respect to all the rights and obligations of the latter.

3. As OJSC MMK owns 100% of placed shares in CJSC MMK-KAPITAL, it shall be determined that:

- Registered ordinary shares of CJSC MMK-KAPITAL owned by OJSC MMK shall not be converted into shares of OJSC MMK;**
- All registered ordinary shares of CJSC MMK-KAPITAL owned by OJSC MMK and not subject to conversion, shall be cancelled at the moment of making an entry in the Uniform State Register of Legal Entities regarding the termination of activities of the merged CJSC MMK-KAPITAL;**
- All OJSC MMK's shares held by CJSC MMK-KAPITAL must be cancelled upon the Company's reorganization by a merger of CJSC MMK-KAPITAL into OJSC MMK, in accordance with the Merger Agreement, with OJSC MMK's authorized capital decreasing by the par value of the shares cancelled as a result of the above merger.**

4. To approve the Merger Agreement between OJSC MMK and CJSC MMK-KAPITAL.

5. Following the approval of the Report on the Results of Shares Cancellation by the Board of Directors of OJSC MMK, to amend OJSC MMK's Charter as follows:

- Paragraph 4.1 of Article 4 of the Company's Charter shall be revised to read as follows:**

"4.1 The Company's authorized capital totals RUR 11,174,330,000 (eleven billion one hundred and seventy four million three hundred and thirty thousand roubles)."

- Paragraph 4.2 of Article 4 of the Company's Charter shall be revised to read as follows:**

"4.2 The Company's authorized capital is comprised of the par value of 11,174,330,000 (eleven billion one hundred and seventy four million three hundred and thirty thousand) ordinary registered shares, with a par value of 1 (one) rouble each".

- Subparagraph 1 of Paragraph 4.3 of Article 4 of the Company's Charter shall be revised to read as follows:**

"The number of the Company's placed shares is 11,174,330,000 (eleven billion one hundred and seventy four million three hundred and thirty thousand) ordinary registered shares."

6. To instruct OJSC MMK's individual executive body to sign the agreement on the merger of CJSC MMK-KAPITAL into OJSC MMK and take all the necessary steps pertaining to the above merger.

ITEM #3 OF THE AGENDA

"Approval of a Major Transaction"

The number of votes belonging to the persons who have taken part in the Meeting with respect to this item of the agenda is 10,729,796,995, which in the totality accounts for 91.9212 % of the votes corresponding to the Company's placed ordinary (voting) shares (there is a quorum).

Votes given:

FOR: 10,728,607,866 AGAINST: 469,600 ABSTAINED: 256,800

The decision on this item, in accordance with p.3 of Article 79 of the Federal Law "On Joint Stock Companies", is taken by the three-quarters' majority of the holders of ordinary (voting) shares of the Company who have taken part in the meeting with respect to this item of the agenda.

It has been resolved:

In accordance with Article 78 and Paragraphs 3, 4 of Article 79 of the Federal Law "On Joint Stock Companies", to approve a major transaction regarding OJSC MMK's contract # E150949 for the supply of iron ore materials with ENRC Marketing AG (Switzerland) on the following terms:

- subject of the transaction – supply of iron ore materials;
- quantity – 143,600,000 tons;
- price – USD 8,400,000,000 (exclusive of VAT);
- delivery period – till 31.03.2017;
- settlement procedure – payments in every delivery month, pursuant to proforma invoices, in the amount of:
 - 30% of the price for the month's supply on or prior to the 10th calendar date of the delivery month;
 - 30% of the price for the month's supply on or prior to the 20th calendar date of the delivery month;
 - 40% of the price for the month's supply on or prior to the last calendar date of the delivery month;
- The corporate guarantee of JSC Sokolovsk-Sarbaisk Ore Mining and Processing Enterprise provides for ENRC Marketing AG's (Switzerland) fulfillment of its obligations. The guarantee shall be valid until the expiry of the contract and termination of the transactions and obligations thereunder.

The beneficiaries in the transaction are OJSC MMK and ENRC Marketing AG's (Switzerland).

The functions of the counting committee have been performed by OJSC MMK's registrar.

The full official name of the registrar: Closed Joint Stock Company “STATUS Registrar Company”;

Address: Ul.Dobrovolcheskaya 1/64, Moscow, 109544.

Authorized persons:

Chairman of the Counting Committee – Sergei S. Yasko,

Members of the Counting Committee: Konstantin V.Petrov, Lyudmila V.Boryakina.

Chairman of the Meeting _____ V.F.Rashnikov

Secretary of the Meeting: _____ V.N.Khavantseva